

arrears of annual leave due to the staff. The review was not completed at the close of the year, but is being carried on assiduously with a view to making the necessary adjustments to suitably meet the fluctuating conditions and obtain the consequent economies as soon as possible.

During the year the conduct of the staff has been good, and our industrial relationships have been quite satisfactory.

ROYAL COMMISSION.

A matter of considerable importance in connection with the work of the past year was the investigation by the Royal Commission. The report of the Commission has already been published. As, however, the matter contained therein had reference to conditions under the form of administration which was functioning at the time of the Royal Commission's investigation, and as also a radical change along the lines recommended by the Commission in that connection has been made since that time, it appears to me that no good purpose would be served by detailed comment on the Royal Commissioner's report at this stage. The Commission made some very valuable recommendations on matters of vital import to the Department, such as the system of control of the Department, the Department's financial structure, and the system of staff control. The first matter has already been dealt with by legislation, and the others, as well as the remaining subjects of the Royal Commission's report, will, so far as they may still require further action, no doubt be brought under review by the new administration in due course.

CONCLUSION.

Since the close of the year alterations have been made in the constitution of the Department by the setting-up of the Government Railways Board, and, as the arrangements provide for my taking over the chairmanship of that Board, this will be the last annual report that I will make in my present capacity. Considerations of time and space prevent my making a complete review of the last three years, but the main phases of our activities have been dealt with in the annual report that I have rendered each year. I would only say that a great deal of spade-work has been done both in the direction of improving our standard of service and of reducing costs, the effect of which is now being felt, and which, I feel confident, will continue to be felt in the coming years. This has entailed a large volume of work in the face of very great difficulties. In this latter connection I need only mention that since the period my general managership commenced—on 1st June, 1928—up to the time of writing there have been no less than three changes in the Ministerial control, a fourth change in the form of control by the constitution of the Government Railways Board, and a full overhaul of the Department by a Royal Commission. These circumstances alone were sufficient to very materially curtail the amount of time that could be devoted to fresh work and the amount of thought that could be given to new ideas. As I have previously had occasion to point out, the side of the Department's work that the management is most particularly concerned with is expenditure, and as regards that aspect I would emphasize the thought conveyed above—namely, that the ground-work which we were able to accomplish has already made itself substantially felt and will continue to do so. The Department has had the misfortune, as has practically every other kind of business, of having been faced with a serious trade depression, while the position regarding competition and the conditions in the transport industry generally have created a state of affairs, from a revenue point of view, that could only be described as difficult in the extreme. We have, however, maintained an unceasing vigilance as regards competition, and, as regards the condition of affairs in the industry, we have endeavoured, where possible, to secure co-ordination by voluntary effort, and as to the conditions which could not be met in that way we have endeavoured to bring to the public a view of the position in proper perspective. I feel sure that the result has been to help towards the position that is undoubtedly developing—namely, that public opinion is crystallizing in the direction of a realization of the necessity for something effective being done to rationalize the transport industry.

In concluding my term of office of General Manager I desire to thank my executive officers and the staff generally for the loyal support that has been given to me. I have had the benefit of much helpful suggestion from all ranks of the Service, and I feel a measure of pride in the fact that employees in even the lowest ranks have not been diffident in discussing matters of interest to the Department's business with me as I have moved about the system. I also desire to thank the press and the public generally for the help and patient consideration that they have extended to me. Here, also, I have had the benefit of many suggestions which have assisted me materially in carrying on the business of the Department. I have appreciated much friendly criticism, and I feel that it has been helpful not only from the point of view of the substantive points made therein, but from the fact that criticism, especially of a constructive character, serves an excellent purpose in keeping the organization up to a high standard of alertness.

This report has been made as brief as possible in deference to the wishes of the Economy Committee that reports should be curtailed in order to minimize expense. For this reason, also, a number of statements and graphs that have hitherto been published with the annual report are omitted for the reason that it was considered that their value was not commensurate with the cost of their compilation and publication.



General Manager.